VZCZCXRO5119 RR RUEHLMC RUEHVK DE RUEHUM #0281/01 1350250 ZNR UUUUU ZZH R 150250Z MAY 07 ZDK FM AMEMBASSY ULAANBAATAR TO RUEHC/SECSTATE WASHDC 1101 INFO RUEHUL/AMEMBASSY SEOUL 2748 RUEHBJ/AMEMBASSY BEIJING 5553 RUEHMO/AMEMBASSY MOSCOW 1768 RUEHKO/AMEMBASSY TOKYO 2481 RUEHOT/AMEMBASSY OTTAWA 0445 RUEHML/AMEMBASSY MANILA 1376 RUEHBK/AMEMBASSY BANGKOK 1466 RUEHVK/AMCONSUL VLADIVOSTOK 0101 RUEATRS/DEPT OF TREASURY WASHDC RUCPODC/USDOC WASHDC 1272 RUEHLMC/MILLENNIUM CHALLENGE CORP WASHINGTON DC 0577 RUEKJCS/SECDEF WASHDC RUEHRC/USDA FAS WASHDC

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E.O. 12958: N/A

TAGS: PGOV ECON SENV PREL MG

SUBJECT: Snapshots of Mongolia's West Part 3 of 3: Uvs' Future Focused on Agribusiness and Tourism

Ref: A) Ulaanbaatar 0253, B) Ulaanbaatar 0268,

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11. (SBU) SUMMARY: The Charge visited Ulaan Gom (UG), the capital of Uvs aimag (province) April 27/28. Uvs Governor Togoo said the best business prospects are sea buckthorn production, cashmere, agribusiness, tourism, and mining, but unemployment is high and nearly 30% of the population lives below the poverty line.

Regarding USG assistance to the aimag, the USAID-funded Judicial Reform Project has made important contributions to improving the quality and speed of justice while improving human rights performance. Mongolian Border Forces are deeply appreciative of the U.S. DOD-funded communications upgrade project which helps them protect Mongolia's frontier against "armed and increasingly aggressive rustlers and thieves" from Russia's neighboring Tuva Republic. University and vocational teachers asked for Peace Corps Volunteers to teach English, books, and U.S. university contacts. (Refs A and B summarize the Charge's stops in Khovd and Bayan Ulgi, respectively.) END SUMMARY.

Ulaan Gom Itinerary

¶2. (U) Charge visited Ulaan Gom, the capitol of Uvs aimag (province) April 27/28, on the third and final stop of his April 23-28 swing through Mongolia's three western most aimags (refs A and B summarize his visit to Khovd and Ulaan Gom). He met in Ulaan Gom with Uvs Aimag officials, met with the 0245 Border Forces Regiment Commander (enroute Charge stopped at a Border Forces outpost, the first to receive US DOD-funded communications equipment), visited a Judicial

Reform Project, met with English language teachers, visited the Dechinravjaalin Khiid temple, the aimag's museum, and the local market, and toured a sea buckthorn project. This cable, the last of three, provides a snapshot of the brief visit to Uvs.

Governor Sanguine About Agriculture, Tourism;

- $\underline{\P}3$ . (U) Uvs Aimag Governor Togoo said Uvs, with 81,000 residents, is some 1,400 kilometers from Ulaanbaatar and just 100 kilometers from the Russian border. While blessed with many lakes and mountains, giving it good tourism potential, it also experiences a daunting range of temperatures from -60 to 105 degrees Fahrenheit. Togoo said herding is still the predominant occupation for the aimag, with 21,000 families tending herds of 2.4 million goats, sheep, cattle, horses, and camels. He hoped the aimag would expand into pig, chicken, and vegetable seed production as well as agribusiness, as it has some 50,000 hectares of fertile farmland. Meat production and processing held some prospect, in this regard. Clearly the climate has turned dryer in recent years, so the aimag was looking into irrigation technologies and improved seed varieties. He hoped U.S. firms might invest in these efforts. To date, beyond cashmere production, sea buckthorn oil and juice exports are Uvs' largest cash earner, with most production going to Japan, Korea, and China. Mining has drawn limited interest to date, but the aimag has gold, coal, molybdenum, and salt deposits that are not fully explored.
- ¶4. (U) Uvs' total population stands at 81,000, of which 30% live below the nation's poverty level and about 25% are students, Togoo said. There are several ethnic groups represented, including the Khoton native Moslem minority numbering just over a thousand. He said local sources produced about 30% of the aimag's budget and the remaining 70% came from the central government. Togoo expressed thanks for recent Peace Corps Volunteer contributions to improving the aimag's English language training as well as U.S. DOD border communications project improvements which have helped reduce animal theft from the neighboring Russian Tuva Republic.

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15. (U) In response, the Charge said he would carry back these proposals for consideration. The U.S. and Mongolia are good friends, he said, laying out the range of cooperation between the two countries, and the U.S. was proud, as President Bush had said during his 2005 visit, to be Mongolia's "third neighbor." He noted the Embassy planned to expand its outreach this year, it being the 20th anniversary of the establishment of diplomatic relations, adding that the Ambassador planned to visit the region later this year and the PAO had visited last month. He noted this was a familiarization visit, but that he also hoped to identify potential areas for cooperation in commercial, educational, and other sectors.

## Judicial Reform Project Much Appreciated

- 16. (U) During a brief meeting with Uvs aimag Chief Justice D. Bavuu, Bavuu said the timing of the JRP's computerization of the courts was perfect, as case loads had risen significantly yet automation increased the speed and quality of the work being performed while improving transparency and accountability. As a result of the USG's efforts, there were fewer violations of human rights in the pretrial and trial phases, witnesses and victims found greater confidence in the process and thus were more willing to give evidence, and the number and length of pretrial detentions had also dropped, especially for young defendants.
- 17. (U) Twice annual training seminars had also improved performance and professionalism, he said. The USG's approach of "train the trainers" was paying off, he said, and he hoped more training would be offered, including English language learning. The World Bank plans this autumn to construct a new court building costing US\$375,000. With that and JRP's contributions, the courts will have updated facilities, equipment, and training that brings the aimag into the 21st century. The courts have plans to post their judgments on the internet and to be able to share information with other aimags and colleagues. He reiterated his deep gratitude to the USG for providing this equipment and noted some minor problems, including replacement of a defective copier and modems for internet connection.

Hope to Grow English Language, Computer Science Programs; Vocational Schools Seeks MCC Support; Need Books, Budget, Peace Corps Vols, Contacts

18. (U) During a joint meeting with Ulaan Gom University, Vocational Technical School, and a private institute's teachers, the Charge learned that 75 of Ulaan Gom University's 147 students study computer science and languages, including English, and 1170 were enrolled at the vocational school. UGU's department chairman said it was difficult to retain qualified staff in these disciplines as they tended to migrate to UB and higher paying jobs. He expressed appreciation for improvements in English language performance when Peace Corps Volunteers were present and asked that PCVs -- and more of them -- again be sent to UG. An extended discussion with teachers revealed a keen eagerness to engage in discussions with native English speakers and they explored a variety of options included language exchanges via cell phones (Charge noted this is popular in Korea) and via the internet, since UGU has some fairly modern computer equipment and labs. Teachers sought contacts with U.S. universities and the Charge said the PAO would help them initiate this process.

Border Forces Grateful for DOD-Provided Communications Equipment; Rustlers Armed And Increasingly Dangerous

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19. (SBU) LTC Damdinsuren, Commander of the 0245 Border Force Regiment, briefed the Charge on his unit's mission of securing the border with Russia as well as the status of the U.S.-DOD funded

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communications project. Damdinsuren expressed appreciation for the USG's communications project and provided a list of additional requests (which has been previously provided to DAO). Damdinsuren said there continue to be cross-border incursions from Russia's Tuva Republic by thieves and rustlers, both of which are increasingly aggressive as well as better and more heavily armed. He noted it was not uncommon to have two to four simultaneous events on the border which stretch his force's limited capacity. He concluded that in some cases these appeared to be carefully coordinated and orchestrated events, but he was unsure whether these attacks represented a single gang's multi-pronged effort or an "agreement among thieves" that working together reduced individual risks. Rustling is the most common crime, LTC Damdinsuren said, and his forces are often fired upon.

110. (SBU) Enroute from Bayan Ulgii to UG on April 26, Charge took a detour to visit a platoon-size outpost using USG-provided communications equipment. The Senior Lieutenant there stated that his forces had been fired upon and returned fire the previous week in response to a cross-border incursion by rustlers who initially made off with 33 horses. Border Forces succeeded in regaining 23 of the 33 stolen horses. In a separate but related event, last week two soldiers in a neighboring outpost were shot and killed.

Goldbeck